Foreign CROPS AND MARKETS

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.

LATE NEWS

United States imports of cotton for consumption in July 1954 amounted to 9,000 bales (500 pounds gross) making a total of 145,000 bales for August-July 1953-54. This total includes from principal sources 77,000 bales from Egypt; 18,000 from India; 17,000 from Mexico; and 14,000 from Pakistan.

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Imports of cotton linters into the United States in July 1954 amounted to 9,000 bales (500 pounds gross) making a total of 166,000 bales for August-July 1953-54. Principal sources included in the latter figure are Mexico 89,000 bales; U.S.S.R. 31,000; and Brazil 28,000.

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Exports of cotton linters from the United States during July 1954 amounted to 25,000 bales of 500 pounds gross. The August-July total of 286,000 bales shows Germany receiving 109,000 bales; United Kingdom 51,000; France 47,000; Japan 44,000; and Canada 19,000.

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FOREIGN CROPS AND MARKETS

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FIRST FORECAST INDICATES LARGE WORLD BREADGRAIN CROP

A large 1954 world breadgrain crop is estimated, on the basis of preliminary reports available to the Foreign Agricultural Service. The first forecast of about 249 million short tons of wheat and rye, combined, is well above average, though about 8 percent below the all-time record production in 1952. It is also below the near-record harvest of 1953. The decline from the 1953 crop is due to a decrease in the world wheat outturn, with preliminary estimates showing an increase over last year's low rye production.

The world wheat crop is now forecast at 6,870 million bushels, a decrease of 5 percent compared with the 1953 total, but still well above average. Rye production, forecast at 1,520 million bushels, is 2 percent above the small 1953 production, but is considerably below the prewar level, because of reduced acreage.

The bulk of the reduction in wheat occurred in North America, where the United States and Canada, the principal producers of the area, both have considerably smaller crops than those of a year ago. The high level of carry-over stocks in both countries, however, brings total supplies for the current marketing season to a record or near-record level. Supplies in the United States for the current marketing year were at an all-time high of about 1,865 million bushels. That is 8 percent above the previous record of last year. Canada's wheat supply, based on carry-over August 1 and the September forecast of production is 965 million bushels, which falls only 18 million bushels short of the record supply on August 1, 1953.

Exportable supplies from this area thus would exceed any foreseeable demand from importing areas. While some question arises as to the outlook for high quality grain in Canada's crop this year, the large carry-over stocks include a good proportion of quality grain. Traditional European markets for North American wheat report relatively good crops this year. This is also marked in Spain, where import requirements will be sharply below those of a year ago. France and Sweden, both minor exporters, expect to have larger surpluses than in 1953-54. Here again, quality of the grain is a factor that could affect exportable surpluses. Reports from a number of European countries indicate that unfavorable conditions have affected the quality of this year's harvest. Trade sources estimate that about 10 percent of France's current crop is unfit for milling. An exception to the generally good outturns is seen in Yugoslavia where the current production is reportedly considerably below that of 1953.

In contrast with western Europe's generally favorable wheat harvests, the crop in other Europe is estimated to be smaller than in 1953, mainly because of unfavorable conditions in most of the Satellite countries. They appear to have been relatively favorable only in Poland, by far the largest rye producer of Europe, as well as of this area.

(Tables on following pages; text continued on Page 357)

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1952-54 1/

Continent and country	Acreage 2/					Yield per acre 3/					Production				
	Average					Average					Average				
	1935-39	1945-49	1952	1953	1954 4/	1935-39	1945-49	1952	1953	1954 4/	1935-39	1945-49	1952	1953	1954 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	25,595	24,717	25,995	25,513	24,267	12.2	14.8	26.5	24.1	15.6	312,399	366,349	687,922	613,962	377,851
Mexico	1,244	1,244	1,466	1,557	1,804	11.5	12.5	11.9	15.3	16.8	14,284	15,522	17,450	23,880	30,300
United States	57,293	71,024	70,926	67,608	53,726	13.2	16.9	18.3	17.3	17.9	758,629	1,202,396	1,298,957	1,168,536	962,135
Estimated total 5/	84,170	97,040	98,450	94,740	79,870	-	-	-	-	-	1,086,000	1,585,000	2,005,000	1,807,000	1,371,000
EUROPE															
Austria	630	528	570	563	578	25.3	20.5	31.5	34.2	29.6	15,942	10,800	117,950	19,250	17,100
Belgium 6/	394	371	411	412	450	40.3	39.7	50.5	49.2	41.7	15,887	14,733	20,760	20,250	18,750
Denmark	319	175	183	173	168	45.4	49.7	60.4	60.1	51.4	14,470	8,704	11,060	10,400	8,640
Finland	230	420	380	355	430	26.5	21.3	24.7	26.8	26.7	6,100	8,966	9,400	9,500	11,500
France	12,560	10,354	11,000	10,600	11,033	22.8	23.0	28.2	31.1	33.5	286,505	238,200	310,000	330,000	370,000
Western Germany	7/ 2,785	2,283	2,921	2,832	2,706 7/	33.2	29.5	41.2	41.0	38.1	7/ 92,400	67,420	120,200	116,100	103,000
Greece	2,172	1,917	2,382	2,581	2,533	14.0	12.9	16.2	20.1	18.8	30,425	24,750	38,580	52,000	47,500
Ireland	225	561	280	380	-	34.2	31.6	35.0	40.5	-	7,689	17,746	9,800	15,400	15,900
Italy	12,577	11,742	12,000	12,100	12,100	22.2	19.3	24.6	27.4	23.6	278,366	227,200	295,000	332,000	285,000
Luxembourg	47	32	46	44	48	25.9	25.0	32.8	31.1	34.0	1,215	800	1,510	1,370	1,630
Netherlands	333	262	202	161	271	45.7	42.4	59.5	59.0	56.6	15,217	11,109	12,020	9,500	15,350
Norway	80	91	51	43	47	29.9	29.3	28.6	33.3	31.5	2,391	2,670	1,460	1,430	1,480
Portugal	1,720	1,665	1,750	1,784	1,820	10.7	8.5	12.2	13.6	14.5	18,400	14,190	21,270	24,180	26,400
Spain	8/ 11,253	9,640	10,625	10,605	10,660 8/	14.0	12.1	16.0	11.8	17.4	8/ 157,986	116,700	170,000	125,000	185,000
Sweden	740	749	821	959	1,070	35.6	31.0	35.0	37.9	35.3	26,351	23,222	28,740	36,339	37,780
Switzerland	183	223	226	211	222	33.1	35.0	41.2	38.4	42.7	6,050	7,800	9,300	8,110	9,480
United Kingdom	1,843	2,148	2,030	2,217	2,452	33.8	36.1	42.4	44.9	42.6	62,361	77,505	86,130	99,456	104,350
Yugoslavia	5,400	-	-	-	-	18.1	-	-	-	-	97,700	-	-	-	-
Estimated total 5/	53,500	47,590	50,890	51,030	51,810	-	-	-	-	-	1,136,000	948,000	1,238,000	1,305,000	1,325,000
Other Europe, estimated total 9/	21,350	18,530	20,160	20,230	20,550	-	-	-	-	-	464,000	317,000	402,000	420,000	395,000
Estimated total, all Europe 5/	74,850	66,120	71,050	71,260	72,360	-	-	-	-	-	1,600,000	1,265,000	1,640,000	1,725,000	1,720,000
U.S.S.R. (Europe and Asia)	104,000	82,200	-	-	-	11.9	10.8	-	-	-	1,240,000	885,000	-	-	-

ASIA															
Iran	7/ 4,191	-	-	-	-	7/ 17.2	-	-	-	-	7/ 72,128	70,791	75,000	82,500	77,000
Iraq	7/ 1,724	1,593	-	-	-	7/ 10.5	9.1	-	-	-	18,114	14,424	18,400	-	-
Lebanon	10/	166	161	166	165	10/	12.8	11.2	11.9	12.1	10/	2,133	1,800	1,980	2,000
Syria	10/ 1,363	1,957	2,220	2,347	2,720	10/ 14.3	9.6	11.7	12.5	11.6	10/19,485	18,762	26,000	29,400	31,500
Turkey	8,973	9,436	13,400	15,790	15,800	15.1	13.3	17.8	18.6	13.9	135,690	125,089	239,000	294,000	220,000
China	7/ 49,000	54,447	56,000	-	-	7/ 15.3	15.9	14.3	-	-	7/750,000	864,280	800,000	-	-
Manchuria	2,896	-	2,650	-	-	12.4	-	11.3	-	-	36,035	-	30,000	-	-
India 11/	7/ 25,460	23,312	23,235	24,040	24,800	7/ 10.3	9.1	9.3	10.5	10.8	7/262,100	212,336	215,340	252,000	269,000
Pakistan 11/	7/ 9,305	10,370	10,220	9,510	10,500	7/ 12.6	12.5	11.2	11.0	13.3	7/117,000	130,018	114,240	105,000	140,000
Japan	1,735	1,655	1,779	1,693	1,660	28.8	20.7	31.7	29.8	33.4	49,954	34,325	56,480	50,500	55,520
Korea	832	-	-	-	-	12.3	-	-	-	-	10,240	-	-	-	-
Estimated total 5/	108,190	111,750	118,160	126,430	131,710	-	-	-	-	-	1,498,000	1,525,000	1,605,000	1,690,000	1,735,000
AFRICA															
Algeria	4,185	3,566	4,389	4,292	4,497	8.4	8.4	10.0	9.4	10.0	35,201	29,900	43,790	40,440	44,830
Egypt	1,464	1,618	1,455	1,858	1,863	31.3	26.3	28.2	30.6	32.2	45,849	42,633	41,000	56,800	60,000
French Morocco	3,254	2,621	3,530	3,526	3,334	7.1	8.3	8.3	11.6	12.2	23,128	21,792	29,400	40,903	40,701
Tunisia	1,950	1,907	2,856	2,612	3,074	7.7	6.5	8.8	8.2	7.8	14,962	12,320	25,240	21,300	23,900
Union of South Africa 12/	1,926	2,416	3,127	2,974	-	8.3	6.2	6.5	6.6	-	16,025	15,067	20,290	19,500	-
Estimated total 5/	13,850	13,740	16,940	16,900	17,540	-	-	-	-	-	143,000	134,000	173,000	193,000	205,000
SOUTH AMERICA															
Argentina	15,834	11,493	13,790	12,510	-	14.0	16.9	20.3	17.6	-	221,769	193,740	280,500	220,440	-
Brazil	414	876	-	-	-	12.0	12.9	-	-	-	4,978	11,283	20,000	-	-
Chile	1,963	1,980	1,925	1,880	-	16.1	18.0	21.0	18.3	-	31,562	35,628	40,400	34,340	-
Peru	285	280	420	425	-	11.5	13.6	14.0	14.1	-	3,274	3,798	5,900	6,000	-
Uruguay	1,210	1,060	1,240	1,850	-	11.0	12.4	13.7	16.2	-	13,256	13,124	17,000	30,000	-
Estimated total 5/	20,490	16,320	19,440	19,000	20,070	-	-	-	-	-	281,000	263,000	370,000	325,000	345,000
OCEANIA															
Australia	13,128	12,662	10,100	10,690	-	12.9	14.0	19.7	18.6	-	169,744	177,742	199,000	199,000	-
New Zealand	221	140	127	120	-	32.3	37.4	35.6	38.3	-	7,129	5,241	4,525	4,600	-
Total	13,349	12,802	10,227	10,810	10,530	-	-	-	-	-	176,873	182,983	203,525	203,600	190,000
Estimated world total 5/	418,900	399,970	448,270	458,140	455,580	-	-	-	-	-	6,025,000	5,840,000	7,400,000	7,220,000	6,870,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1954 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1954 and end early in 1955. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 7/ Average of less than 5 years. 8/ Figure for 1935 only. 9/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, and Rumania. 10/ Estimates for Syria and Lebanon not shown separately during this period. 11/ Figures for the period shown are not strictly comparable since figures for 1952-1954 include allowances for non-reporting areas, which were not included with earlier figures shown, but were included in estimated total for Asia. 12/ Production on European holdings only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

RYE: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1952-54 1/

Continent and country	Acreage 2/ Average 1935-39	Acreage Average 1945-49	Acreage 1952	Acreage 1953	Acreage 1954 4/	Yield per acre 3/ Average 1935-39	Yield Average 1945-49	Yield 1952	Yield 1953	Yield 1954 4/	Production Average 1935-39	Production Average 1945-49	Production 1952	Production 1953	Production 1954 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	816	1,129	1,274	1,494	850	11.3	11.2	19.5	19.3	17.4	9,191	12,653	24,833	28,775	14,827
United States	3,699	1,810	1,385	1,382	1,706	12.1	12.3	11.5	13.0	13.7	44,917	22,336	15,910	17,998	23,293
Total	4,515	2,939	2,659	2,876	2,556	-	-	-	-	-	54,108	34,989	40,743	46,773	38,120
EUROPE															
Austria	881	616	610	561	546	23.4	19.9	27.9	28.1	27.5	20,611	12,260	17,000	15,750	15,000
Belgium 5/	401	259	203	188	190	37.4	36.3	42.8	42.6	43.2	15,016	9,410	8,690	8,000	8,200
Denmark	354	379	339	328	259	28.2	34.2	41.6	39.7	37.8	9,973	12,958	14,100	13,030	9,800
Finland	500	376	310	250	205	24.6	21.2	25.0	23.0	23.4	12,300	7,960	7,750	5,750	4,800
France	1,613	1,202	1,065	1,008	1,010	18.6	17.2	17.8	18.3	20.1	29,993	20,618	19,000	18,400	20,300
Western Germany	6/ 4,080	3,480	3,350	3,443	3,709	6/ 29.2	28.4	36.7	37.5	40.0	6/119,000	98,900	122,780	129,130	148,420
Greece	163	130	165	168	152	13.8	12.8	13.5	15.8	-	2,244	1,664	2,220	2,660	-
Italy	256	253	240	235	230	21.8	17.9	21.7	22.6	21.7	5,580	4,520	5,200	5,300	5,000
Luxembourg	18	15	11	12	12	25.7	26.3	31.8	30.8	32.8	462	395	350	370	394
Netherlands	560	492	460	424	411	36.4	31.5	44.6	42.5	45.0	20,394	15,520	20,500	18,000	18,500
Norway	13	4	1	2	1	31.2	32.8	45.0	27.5	40.0	405	131	45	55	40
Portugal	620	680	656	661	640	8.9	8.0	10.5	10.4	10.8	5,500	5,460	6,900	6,880	6,940
Spain	7/ 1,404	1,553	1,525	1,525	1,540	7/ 13.1	11.0	12.7	12.1	12.3	7/ 18,363	17,117	19,410	18,500	19,000
Sweden	495	363	311	327	369	30.0	28.4	36.0	36.1	34.7	14,828	10,323	11,190	11,790	12,810
Switzerland	38	32	37	37	36	33.2	33.9	41.4	39.7	41.7	1,260	1,084	1,530	1,470	1,500
United Kingdom	17	59	56	68	47	23.9	30.0	35.7	38.8	35.7	406	1,768	2,000	2,640	1,680
Yugoslavia	633	-	-	-	-	13.4	-	-	-	-	8,500	-	-	-	-
Estimated total 8/	12,050	10,480	9,990	9,920	10,010	-	-	-	-	-	285,000	228,000	267,000	269,000	283,000
Other Europe, estimated total 9/	21,620	17,360	19,250	17,130	17,220	-	-	-	-	-	481,000	337,000	408,000	366,000	397,000
Estimated total, all Europe 8/	33,670	27,840	29,240	27,050	27,230	-	-	-	-	-	766,000	565,000	675,000	635,000	680,000
U.S.S.R. (Europe and Asia)	60,800	72,300	-	-	-	14.6	12.4	-	-	-	885,000	895,000	-	-	-
ASIA															
Turkey	939	1,017	1,450	1,599	1,483	15.2	13.5	18.2	18.1	10.6	14,301	13,679	26,380	29,000	15,747
SOUTH AMERICA															
Argentina	1,078	1,561	3,490	2,118	-	9.1	9.6	15.1	11.9	-	9,771	14,944	52,550	25,300	-
AFRICA															
Union of South Africa	6/ 117	197	-	-	-	6/ 6.8	4.9	-	-	-	794	973	-	-	-
Estimated world total 8/	101,270	106,100	98,260	89,080	82,220	-	-	-	-	-	1,732,000	1,530,000	1,675,000	1,490,000	1,520,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1954 is combined with preliminary forecasts for the Southern Hemisphere harvests, which will begin late in 1954 and end early in 1955. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 6/ Average of less than 5 years. 7/ Figure for 1935 only.
8/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown.
9/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, and Rumania.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

AUSTRIA FIXES 1954-55 MARKET PRICES FOR DOMESTIC BREADGRAINS AND IMPORTED WHEAT

Austria's guaranteed producer price for home-grown wheat during the current 1954-55 marketing season has been increased by 11 cents per bushel compared with the 1953-54 level, but that for rye has been reduced by 10 cents. The new price for home-grown grain is 250 schillings per quintal ($2.63 per bushel) for wheat and 230 schillings ($2.25 per bushel) for rye. Last season the guaranteed producer price was 240 schillings per quintal for both grains, or $2.52 per bushel for wheat and $2.35 for rye. The price of imported wheat was fixed at 200 schillings per quintal ($2.10 per bushel), the same as in 1953-54.

Breadgrain price guarantees to producers include basic prices and subsidies for wheat and rye delivered to designated rail or water shipping points. The basic price for 1954-55 wheat deliveries is 200 schillings per quintal ($2.10 per bushel) compared to 180 schillings per quintal ($1.76 per bushel) for rye. Producer subsidies for both wheat and rye are at the same rate, 50 schillings per quintal ($0.53 per bushel for wheat and $0.49 per bushel for rye). In operation, the farmer will receive the total guaranteed price when his grain is delivered, adjusted for stipulated seasonal price and test weight variations, and the purchaser will be reimbursed later by the Government for the subsidy payments.

Actual prices paid to growers during the season will range from a July low of 243 schillings for wheat ($2.55 per bushel) and 223 schillings for rye ($2.18 per bushel) to a February-June high of 256 schillings for wheat ($2.69 per bushel) and 236 schillings for rye ($2.31 per bushel). This seasonal price variation is provided in order to encourage farm storage and orderly marketing.

Producer price premiums and discounts are provided for variations from the basic test weight of 78 kilograms per hectoliter (60.6 pounds per bushel) for wheat and 71 (55.2 pounds per bushel) for rye. Premiums for heavy wheat are 1.00 schilling per quintal (1.0 cents per bushel) when the test weight reaches 79 kilograms (61.4 pounds per bushel), and 1.90 schillings (2.0 cents per bushel) when it reaches 80 kilograms (62.2 pounds per bushel). Discounts for light wheat are 1.30 schillings per quintal (1.4 cents per bushel) when the test weight drops to 75 kilograms (58.3 pounds per bushel); 2.60 schillings (2.7 cents per bushel) when it drops to 74 kilograms (57.5 pounds per bushel); and 4.50 schillings (4.7 cents per bushel when it drops to 73 kilograms (56.7 pounds per bushel).

Premiums for heavy rye are 0.50 schillings per quintal (0.5 cents per bushel) when the test weight reaches 73 kilograms (56.7 pounds per bushel) and 0.90 schillings (0.9 cents per bushel) when it reaches 74 kilograms (57.5 pounds per bushel). Discounts for light rye are 0.40 schillings (0.4 cents per bushel) when the test weight drops to 69 kilograms (53.6 pounds per bushel); 0.50 schillings (0.5 cents per bushel) when it drops to 68 kilograms (52.8 pounds per bushel); 0.60 schillings (0.6 cents per bushel) when it drops to 67 kilograms (52.1 pounds per bushel); and 2.00 schillings (2.0 cents per bushel) when it drops to 66 kilograms (51.3 pounds per bushel).

Distribution of imported wheat continues to be controlled by the Government with the base price continued at 200 schillings per quintal ($2.10 per bushel). However, increases or decreases in this base price are provided for by a series of premiums and discounts depending on quality, moisture content, and test weight.

Imported wheat is classed either as high quality, standard quality, or sub-standard quality. High quality wheat includes Canadian Manitoba Northern, grades 1, 2 and 3; U.S. Northern Spring, grades 1 and 2; U.S. Hard Winter, grades 1 and 2; and any others that conform to specifications prescribed for high quality wheat. High quality wheat is divided into 3 groups with premiums ranging from 4.50 schillings per quintal (4.7 cents per bushel) to 12.00 schillings per quintal (12.6 cents per bushel). Standard quality wheat includes mainly varieties from Southeast Europe and U.S. Red Winter Wheat Grades 1 and 2. Premiums or discounts for quality are not applicable to imports of standard quality wheat. Sub-standard wheat includes all imports not meeting the requirements for high or standard quality grain. For sub-standard quality wheat, discounts of from 4.00 to 6.00 schillings per quintal (4.2 cents to 6.3 cents per bushel) are allowed.

Price discounts for excess moisture in imported wheat range from one percent for 14 percent moisture to 1.5 percent for 17 percent moisture (2.1 cents to 3.2 cents per bushel). Premiums and discounts on imported wheat of high or low test weight are the same as for indigenous wheat.

As in 1953-54, domestic barley, rye, oats, and corn is bought and sold at free market prices. However, imported coarse grain continues to be sold under the Grain Equalization Fund system at the subsidized wholesale price of 188.84 schillings per quintal ($3.31 per cwt.) and at 200.00 schillings ($3.50 per cwt.) to the producer.

CUBA REDUCES GUARANTEED PRODUCER PRICE FOR 1954 SUMMER CORN CROP

The guaranteed producer price for Cuba's summer or "water" corn crop was fixed at $1.52 per bushel by the Government's decree (No. 1554) of August 4, 1954. This price, applicable during the period of August 5 - December 31, 1954, represents a reduction of $0.41 per bushel, or 21 percent, from the guaranteed price of $1.93 per bushel in effect during 1953-54. Reasons given for the reduction were lower world market prices and surplus production in Cuba.

The Administration of Corn Stabilization (ACS), an agency of the Cuban Government with a capital of $300,000, was created by the same decree to make purchases and sales. The ACS will purchase all corn offered, either by farmers or Rural Credit Associations, at the established guaranteed price.

In operation, the guaranteed price will be paid for clean, shelled corn, packed in 100 pound bags, of not over 12 percent moisture content delivered to warehouses designated by the ACS. Wet, unshelled, or bulk corn will also be accepted under certain conditions with the cost of drying, shelling, cleaning, or bagging deducted from the guaranteed producer price. In disposing of corn purchased under this program, the ACS presumably hopes to realize a price high enough to cover purchase and handling costs.

THAILAND RICE
EXPORTS

Total rice exports from Thailand for the January-August period of 1954 amounted to 669,000 metric tons (1 metric ton = 2,204.6 pounds) as compared with 956,000 tons in the corresponding months of a year earlier. Some signs of increased activity, however, reportedly are appearing on the rice-export market. The demand for high-grade rice is continually strong, and more of the lower grades that have been clogging market channels also are being sold. The British territories and Thailand are said to be near agreement with respect to additional sales of rice.

RECORD EUROPEAN RICE
CROP IN 1954

The total rice harvest of Europe in 1954 (September-November) is expected to be the largest on record. Rice crop estimates are larger than last season in all of the 5 principal countries of production - Italy, Spain, Portugal, Greece, and France.

Rice acreage in Italy increased 3 percent and a preliminary estimate places production at only a slightly larger volume than in the year before. Spain's acreage in rice is about the same as last year, and weather has been favorable for high yields per acre.

The new-rice crop situation in Portugal and Greece is similar in that in both countries the acreage planted to rice is considerably larger than last year, and is only slightly more than the record area in rice 2 years ago; prospects are for above-average yields in these countries.

The rice acreage of France was about the same as in 1953, but the proportion of the crop grown by transplanting increased noticeably this year. Operations were about 2 weeks late because of cool weather. The harvest is expected to occur in late September and early October, with proper maturing of the crop reportedly depending on the extent that cool weather affected yields late in the growing season. The current estimate is for a larger crop than in 1953.

(Table on following page)

MEXICO PLANS TO REDUCE CIGARETTE IMPORTS
TO 15 PERCENT OF THE 1953 LEVEL

The American Embassy at Mexico City reports that the current policy of the Mexican Government is to limit imports of cigarettes to 15 percent of the amount imported in 1953. Imports during 1953 were 249 thousand pounds and in the future the limit will be about 37 thousand pounds per year. Legal imports of United States cigarettes into Mexico amounted to 242 thousand pounds in 1953. These quotas are to be flexible and may be revised upward or downward as the balance of payments and other factors permit.

RICE (rough): Acreage and production in specified countries of Europe, average 1945-49, annual 1950-54

Year	Unit	France	Greece	Italy	Portugal	Spain	Total
Acreage:							
1945-49	1,000	7	9	305	53	129	503
1950	acres	28	24	354	67	143	616
1951	"	40	48	400	77	151	716
1952	"	49	53	430	85	159	776
1953	"	48	44	433	81	157	763
1954 1/	"	49	55	445	87	158	794
Production:							
1945-49	Million	18.1	19.5	1,328.9	159.7	562.2	2,088.4
1950	pounds	104.7	70.5	1,631.4	266.8	660.0	2,733.4
1951	"	143.3	123.5	1,800.0	311.5	650.0	3,028.3
1952	"	198.2	165.3	2,050.0	310.0	725.0	3,448.5
1953	"	152.1	145.0	2,040.0	285.1	860.0	3,482.2
1954 1/	"	165.0	180.0	2,070.0	340.0	870.0	3,625.0
Yield per acre:							
1945-49	Pounds	2,586	2,167	4,357	3,013	4,358	-
1950	"	3,739	2,938	4,608	3,982	4,615	-
1951	"	3,582	2,573	4,500	4,045	4,305	-
1952	"	4,045	3,119	4,767	3,647	4,560	-
1953	"	3,169	3,295	4,711	3,520	5,478	-
1954 1/	"	3,367	3,273	4,652	3,908	5,506	-

1/ Preliminary.
Compiled from official figures and estimates of Foreign Agricultural Service.

IRAQ TOBACCO MONOPOLY ACTS TO IMPROVE QUALITY OF DOMESTIC TOBACCO

The Tobacco Monopoly of Iraq, in an effort to improve the quality of its domestic tobacco, has increased the prices to be paid for the better grades of leaf from the 1954 crop. Iraq produces oriental-type tobacco which, to date, has not achieved acceptance in foreign markets. The Monopoly has made efforts in the past to provide growers with high-quality seedlings and cultural information in an attempt to produce leaf more acceptable to foreign buyers. It believes that by increasing the prices for the top grades, farmers will be induced to produce tobacco that will meet export requirements.

Comparison of 1953 and 1954 Prices Paid by the Iraq Monopoly
(U. S. dollars per 100 pounds)

Type	Grade	1953	1954
Leaf Tobacco	Special Grade	$35.56	$44.45
"	1 A	29.21	35.56
"	1 B	29.21	29.21
"	2	26.04	26.67
"	3	19.05	20.32
Crushed Tobacco	1	21.86	20.32
"	2	17.51	17.78
"	3	10.16	10.16

Iraq: Production of Unmanufactured Tobacco - Farm Sales Weight

Year	Amount
	1,000 Pounds
Av. 1945-49	5,864
1950	8,523
1951	10,273
1952	9,212
1953	15,878
1954 1/	17,637

1/ Preliminary.

Source: Based on U. S. Foreign Officer Reports.

HONG KONG TOBACCO IMPORTS UP SLIGHTLY IN THE FIRST HALF OF 1954

Hong Kong imported 4.3 million pounds of unmanufactured tobacco and 2.0 million pounds of cigarettes in the first half of 1954, compared with 4.2 million pounds of unmanufactured tobacco and 1.9 million pounds of cigarettes in the first half of 1953. Imports of unmanufactured tobacco from the United States, however, dropped from nearly 2.3 million pounds in January-June 1953 to 1.9 million pounds this year. Cigarette imports from the United States also dropped; the difference was made up, as in unmanufactured tobacco, by increased imports from the Sterling area, China and Macao.

HONG KONG: Imports of Unmanufactured 1/ Tobacco and Cigarettes: Jan.-June, 1953 and 1954

Country of Origin	Unmanufactured 1/		Cigarettes	
	Jan-June 1953	Jan-June 1954	Jan-June 1953	Jan-June 1954
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	1,286	1,375	623	645
United States	2,266	1,930	1,241	1,141
Central Africa (British)	7	277	-	29
China	233	261	-	16
Macao	141	318	26	183
Other	312	163	3	21
Total	4,245	4,324	1,893	2,035

1/ Includes cut tobacco for further processing, stems and scraps.

NEW ZEALAND STUDIES PRICE SUPPORTS FOR MEAT ANIMALS

The New Zealand Government recently set up a special committee of senior officials to consider the possibility of operating a price support program for meat products. The suggestion has been made that the meat industry reserve funds amounting to 41 million pounds sterling to be used to guarantee floor prices for meat animals or meat in the event that prices in export markets fall to undesirably low levels. The committee is to report its findings to the Ministry of Agriculture at an unspecified date.

Cancellation of the long-term meat contract between the United Kingdom and New Zealand this year offers the possibility of higher prices for New Zealand's meat surplus in the near future. However, the ending of the contract also relieves the United Kingdom of any responsibility for guaranteeing prices for New Zealand's producers over a longer period.

WORLD OUTPUT OF DAIRY PRODUCTS, SECOND QUARTER, 1954 1/

Factory production of butter, cheese and dried milk was up, but canned milk was down in the primary producing countries in the second quarter of 1954 when compared with the same quarter of 1953. In the latter period milk production was favored with improved weather conditions after the cold spring in Western Europe. Generally favorable conditions also prevailed in both Canada and the United States in this quarter and milk production was higher than a year ago. In the Southern Hemisphere, however, somewhat unsettled conditions both in Australia and New Zealand were reflected in lower milk output.

Butter production in factories in the April-June quarter of 1954 increased about 4 percent over the corresponding quarter a year earlier. In Denmark, Western Germany and the United Kingdom, a large proportion of manufacturing supplies continued to be diverted to butter, output of which was above that of comparable 1953. Higher butter production reflected the increase in milk deliveries to plants in both the Netherlands and Ireland. Production was down in Sweden, due largely to increased consumption of fluid milk, which reduced manufacturing supplies. Output also was down in Norway

Production of butter in Australia was maintained at approximately the 1953 level, but in New Zealand, output declined sharply. In both Canada and the United States, somewhat higher butter production reflected the availability of increased quantities of milk for manufacturing purposes.

Factory production of cheese in the second quarter of 1954 rose 3 percent over the comparable period in 1953. Cheese plants in the United Kingdom continued to utilize large quantities of milk. Output also increased in Norway and Sweden, but decreased in Denmark and the Netherlands. Production in Australia showed a gain over the preceding year, but was down in New Zealand. Higher output was reported in both Canada and the United States.

Over-all canned milk production in the period under review showed a general decline in the main dairying countries. The marked fall in output in the United Kingdom is partly attributable to the high production in 1953, a decline in consumption, generally unsettled conditions with de-rationing and the termination of bulk buying contracts by the Ministry of Food.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular available from the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

FACTORY DAIRY PRODUCTS: Output in principal producing and exporting countries, 2nd quarter (calendar) 1954, with comparisons

Country and Product	Average 1934-38	Average 1946-50	Total 1953	1953 2nd Quarter	1953 3rd Quarter	1953 4th Quarter	1954 1st Quarter	1954 2nd Quarter	Second Quarter 1954/53
	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	Percent
BUTTER									
Canada	1/ 254,774	277,868	2/ 303,309	2/ 103,201	2/ 110,874	55,167	35,773	104,419	101
United States	1,673,328	1,301,830	1,424,940	447,555	354,460	291,380	376,670	464,875	104
Belgium	46,179	55,353	3/ 90,609	28,120	28,382	19,056	-	-	-
Denmark	400,660	318,697	381,175	112,214	105,601	84,656	2/ 87,743	120,358	107
Finland	61,287	4/ 61,215	106,352	31,797	32,258	22,493	-	-	-
France	5/ 6/ 529,000	390,471	6/ 606,000	-	-	-	-	-	-
Germany, Western	7/ 8/ 560,000	4/ 492,188	2/ 634,618	183,284	2/ 182,296	2/ 145,283	148,616	194,723	106
Ireland	89,400	68,648	78,774	26,324	34,366	15,116	4,886	30,707	117
Netherlands	201,000	155,620	182,984	2/ 51,264	2/ 53,986	2/ 50,414	26,409	52,714	103
Norway	24,930	20,049	28,305	12,443	8,158	2,830	4,196	9,003	72
Sweden	152,769	216,442	215,814	64,583	65,682	42,368	41,307	60,942	94
Switzerland	5/ 57,760	36,949	9/ 52,469	15,776	15,189	10,712	-	-	-
United Kingdom	44,200	23,529	2/ 34,407	12,589	10,349	2/ 8,736	11,021	20,922	166
Argentina	65,742	100,657	127,869	-	-	-	-	-	-
Union of So. Africa	10/ 27,725	44,845	68,151	15,345	12,839	19,178	-	-	-
Australia	8/ 415,250	354,371	350,186	53,004	64,217	124,933	107,372	57,985	100
New Zealand - Total	8/ 366,912	346,095	430,682	43,523	80,931	167,281	111,104	37,878	87
Export gradings	11/ 322,796	301,826	363,744	29,975	63,027	151,571	91,143	23,636	79
CHEESE									
Canada	1/ 119,924	114,329	75,185	26,699	28,671	13,433	6,497	27,066	101
United States	643,234	1,156,005	1,297,940	419,025	340,290	261,340	398,055	437,055	104
Denmark	68,820	123,634	192,021	64,595	52,911	33,289	2/ 34,172	60,009	93
France	12/ 6/ 584,000	13/ 424,070	6/ 595,000	-	-	-	-	-	-
Italy	12/ 523,513	491,326	6/ 721,000	-	-	-	-	-	-
Netherlands	6/ 200,000	176,926	2/ 283,872	2/ 98,444	2/ 85,230	58,021	44,004	94,514	96
Norway	14/ 39,067	35,564	2/ 60,131	2/ 20,197	2/ 15,751	2/ 7,851	13,839	23,664	117
Sweden	76,059	115,005	119,712	38,567	35,127	18,862	23,400	41,469	108
Switzerland	14/ 111,729	107,232	9/ 130,733	37,674	42,804	22,693	-	-	-
United Kingdom	5/ 109,000	69,888	197,166	58,733	54,074	40,813	52,685	64,781	110
Argentina	67,873	203,830	242,506	-	-	-	-	-	-
Union of So. Africa	10/ 10,195	17,967	24,417	5,127	5,436	7,636	-	-	-
Australia	8/ 48,400	98,396	106,707	10,542	23,990	47,956	26,437	11,874	113
New Zealand - Total	8/ 210,911	216,842	244,758	25,312	37,318	104,848	71,456	22,938	91
Export gradings	11/ 204,110	205,962	231,921	34,026	21,422	96,360	74,675	30,296	89

CANNED MILK									
Canada	15/ 1/ 104,335	266,532	305,297	114,227	93,589	54,957	48,908	110,272	96
United States	16/ 1,970,189	3,170,576	2,598,510	907,885	668,300	478,375	521,775	875,530	96
Cuba	17/ 32,564	36,655	-	14,280	-	-	-	-	-
Denmark	40,785	58,701	-	-	-	-	-	-	-
France	18/ 28,953	17/ 57,984	-	-	-	-	-	-	-
Netherlands	309,952	181,222	2/ 484,512	2/ 136,765	2/ 109,171	2/ 144,556	86,257	133,211	97
Switzerland	14,198	13,031	-	-	-	-	-	-	-
United Kingdom	378,560	219,914	284,122	170,509	46,144	20,967	15,412	128,576	75
Argentina	19/ 3,159	17/ 11,914	-	-	-	-	-	-	-
Australia	8/ 41,894	132,745	139,626	13,811	25,993	63,919	31,560	-	-
New Zealand	17/ 11,273	-	-	-	-	-	-	-	-
DRIED MILK 20/									
Canada	1/ 26,079	70,876	2/ 100,332	2/ 34,174	2/ 32,348	18,658	14,741	35,213	103
United States	17/ 203,555	913,436	1,305,105	456,225	301,840	253,080	356,000	488,110	107
Belgium	5,500	6,607	34,622	14,780	10,503	4,745	-	-	-
Denmark	2,205	16,866	-	-	-	-	-	-	-
France	18/ 7,685	17/ 3,308	-	-	-	-	-	-	-
Netherlands	56,438	54,468	118,050	2/ 46,292	2/ 40,291	2/ 20,792	9,099	49,041	106
Sweden	1,351	24,566	25,496	8,348	8,136	3,693	4,071	-	-
Switzerland	7,187	10,847	-	-	-	-	-	-	-
United Kingdom	43,098	73,848	85,477	38,617	22,041	17,382	2/ 23,027	46,950	122
Argentina	19/ 3,977	17/ 14,070	-	-	-	-	-	-	-
Australia	8/ 16,971	54,235	83,877	7,973	15,186	36,470	23,648	-	-
New Zealand	21/ 17,429	-	-	-	-	-	-	-	-

1/ Average 1935-39 2/ Revised 3/ Total Production in 1953 is estimated at 192,902,000 pounds 4/ Average 1948-50 5/ Total Production 6/ Estimated 7/ Average 1935-38 8/ Production year ending June 30 9/ Annual production figures more complete than monthly figures used in quarterly data 10/ Production year ending August 31 11/ Marketing year ending July 31 12/ Total cheese, and includes cheese made from the milk of sheep and goats 13/ For 1948 14/ Total cheese, and includes cheese made from the milk of goats 15/ Both bulk and case goods 16/ Evaporated whole and condensed whole case goods only (Estimates of production of bulk types discontinued) 17/ Less than a 5-year average 18/ For 1937 19/ For 1939 20/ Total dried whole milk and dried skim milk for human consumption 21/ For 1938

Foreign Agricultural Service. Prepared or estimated from official statistics, U.S. Foreign Service reports, and other information - September 27,1954

Manufacture of dried milk in the second quarter of 1954 exceeded that of the earlier year by 8 percent. Higher production of nonfat dry milk solids in the larger producing countries accounted for this increase.

Prospects for milk production in Western Europe appear to be favorable. A good opening to the new season is indicated in the Southern Hemisphere. In Canada, the number of milk cows is higher than a year ago, and with good pasturage, milk production is expected to increase.--By Regina M. Murray, based in part upon U. S. Foreign Officer reports.

MEAT PRODUCTION INCREASING IN FRANCE

The upward trend in meat production in France which began in 1952 continued through 1953 and the first half of 1954. Total meat output during the first half of 1954 was 13 percent greater than a year earlier. Production of beef increased 24 percent, veal 19 percent, mutton and horsemeat each 5 percent, but pork production was practically equal to a year earlier.

Currently farmers are demanding a renewal of the Rehabilitation Fund for price support activities, particularly beef, to avoid the recurrence of the price declines like those which occurred last fall. Storage stocks of meat acquired last fall and winter under the Government price support program had been reduced to a low level on August 1.

Beef prices rose seasonally in the LaVillette market from January to May but had declined somewhat by June. Prices during the first half of the year averaged only moderately below a year earlier. However, prices of mutton averaged moderately above a year earlier and hog prices were up substantially. Large exports of meat gave strong support to meat prices during this period (see Foreign Crops and Markets, August 16, 1954).

It is expected that feed supplies for the coming winter will be somewhat below a year earlier but will be adequate for feeding requirements. Supplies of barley, oats, and corn are expected to be smaller than a year earlier but wheat is of poor quality and a larger proportion of the crop will be of feed quality. Hay production has been reduced and is of relatively low quality because of heavy rains, but due to the heavy summer rains the fall pasture prospects are favorable.

There is some agitation among farm organizations for a Government subsidy on wheat to be used as animal feed for meat animals or meat for export. This would use up surplus wheat supplies and would be an alternative to current large export subsidies on wheat.

URUGUAYAN MEAT SALES TO GREECE

The Greek Government has recently purchased an additional 1.5 million pounds of frozen beef of Continental F Grade in Uruguay for 24 cents per pound f.o.b. Uruguay. (See Foreign Crops and Markets August 30, 1954). Recent Greek purchases also included 1.3 million pounds of 2-year old wether mutton carcasses for about 16 cents a pound f.o.b. Uruguay.

COLOMBIA IMPORTS LARGE NUMBER OF CATTLE FROM U.S. 1/

United States producers have greatly increased exports of breeding cattle to Colombia this year as the Colombia Government has inaugurated programs to encourage imports so as to increase cattle numbers and to improve the quality of the local stock. United States exports to Colombia during the first 7 months of 1954 totaled 1,797 head compared with 974 during the full year 1953. It is reported that Colombia imported 400 breeding bulls last year and 2,935 females for herd improvement. According to present indications these figures will be substantially exceeded in 1954.

Due to political unrest and outbreaks of guerilla warfare a substantial reduction in cattle numbers occurred between 1950 and mid-1953 in many important cattle producing areas of Colombia. During this period there was a wide-scale abandonment of ranches and there was little incentive for other operators to maintain the size of their productive units. The stormy political situation has now cleared and most cattlemen have returned to their ranches, investors are willing to finance cattle expansion programs and ranchers are anxious to restock their ranches. The industry is on the verge of a potentially large-scale development that will assist materially toward the diversification of Colombian agriculture and make the economy less dependent on coffee production.

During the past several months the Government has undertaken a number of measures to stimulate imports of cattle. More Government credit has been made available for buying imported cattle, tax concessions have been provided to importers of purebred bulls, and livestock have been imported for sale to colonists. The Government intends to organize a National Federation of Livestock Producers which could acquire, import, export, sell and distribute livestock of all types. A proposal to import a large number of commercial heifers--in excess of 100,000 a year -- has received a great deal of publicity in recent months but little has been done to carry it to completion. The President of Colombia is giving full support to plans for mass importations.

1/ A summary of Livestock Developments in Colombia will be published soon as a Foreign Agriculture Circular, by the United States Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

ERITREA'S MEAT EXPORTS

Eritrea's meat packing plants are increasing sales to Israel and Europe. One Asmara plant is continuing to ship meat to Israel through the Suez Canal and has had no difficulty with Egyptian authorities in getting clearance. Another Asmara plant has recently concluded a contract to deliver 100,000 cans of meat to Western Germany at the rate of about 10 U.S. cents per pound. A third Asmara plant has maintained steady, but rather limited, exports of canned meats.

COSTA RICA REVISES MEAT INSPECTION LAW

Comprehensive changes in Costa Rica's basic sanitary and inspection laws relating to livestock slaughter, meat production, exports, and imports were published as Decree No. 9 of La Gaceta (Diario Oficial) on August 29, 1954. The legislation was patterned after the meat inspection laws of the United States and will permit products meeting the inspection standards to continue to be admitted to the United States. A few years ago Costa Rica shipped a small amount of carcass and canned beef to the United States but no shipments have been received during 1953 and 1954.

It is reported that the municipal slaughterhouse at San Jose will not measure up to the new standards. However, plans have been formulated by the Government for the financing and construction of a new facility; when it has been completed the old slaughterhouse will be condemned.

THE DAIRY SITUATION IN THE U. K.

While there is some concern that a poor hay crop may have an adverse effect upon milk production, output in the United Kingdom at 12.6 billion pounds is currently running 3.6 percent ahead of last year's production for the first 7 months. The increase is attributed to good grazing conditions to date and a rise of 5 percent in milk cow numbers.

At the same time production has been increasing there has been a slight decline in the use of milk in fluid consumption; this has resulted in the face of an advertising campaign to increase milk drinking. The increase production has consequently been going into manufacture, mostly for butter. Milk for cheese manufacture has increased from 20 to 30 million pounds since April, but milk for butter has jumped more than 50 million pounds a month; utilization by condenseries has dropped by as much as 20 million pounds a month.

The increased production of butter and cheese is expected to reduce somewhat the demand for imported products, although any such lessening in demand will not be felt immediately. In fact imports during the first 6 months of 1954 were slightly above 1953. Butter imports totaled 370 million pounds between January-July 1954 as against 358 million in 1953; cheese imports were 202 million pounds as against takings of 190 million during the first 6 months of 1953.

Imports of canned milk declined precipitously because of a saturated market. The Ministry of Food terminated its bulk buying contracts with fairly large stocks on hand. About 5.7 million pounds of canned milk were received during the first half of 1954 while receipts during the same period in 1953 totaled 31.9 million pounds. Dried whole milk receipts from abroad have dropped about 35 percent to 14.7 million pounds during January - July, 1954.

DAIRY SITUATION DARKENS IN JAPAN

The Bank of Tokyo's Weekly Review of economic affairs in Japan says, in the mid-August issue, that the dairy situation is beginning to tighten up after a long upward trend. The Bank points out that the increased milk production, which Japan has been getting almost since the end of the war, has had a concurrent rising trend in sales; now, however, the upward sales trend has been stopped, and possibly turned downward, but production is still increasing.

Milk production in 1953 which was, at 1.5 billion pounds, 126 percent above 1952 levels, is showing a further increase during the current year. The price of milk has dropped to 15.4 cents per quart from 17.8 cents (while the Bank does not state it, this is probably the wholesale price) The price of butter which had a range from $1.11 to $1.33 a pound now fluctuates between $1.00 and $1.11 and stocks on hand are said to have doubled over the period of several months.

There seems to have been a definite leveling off in butter consumption during the past year. The feeling is that even with the price decline there is little liklihood of a further increase in consumption since the Japanese, a traditionally rice-eating people, are consuming their limit in bread.

Japan reported imports of butter during 1953 of over 4.5 million pounds.

To make the dairy situation outlook even more serious, farmers are paying 10 percent more for feed than a year ago.

WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Current wholesale prices at specified markets, with comparisons

(In U. S. Cents Per Pound)

Country, market and description	Butter: Date 1954	Butter: Price	Butter: Quotations Month earlier	Butter: Quotations Year earlier	Cheese: Date 1954	Cheese: Price	Cheese: Quotations Month earlier	Cheese: Quotations Year earlier
United Kingdom (London)								
Group 1	Aug. 26	46.5	49.1	-	Aug. 26	22.6	22.6	-
Group 2	Aug. 26	45.3	47.8	-	Aug. 26	18.2	20.8	-
Group 3	Aug. 26	44.7	42.2	-	Aug. 26	17.0	18.9	-
National butter	Sept. 1	-	-	41.0	-	-	-	-
Ration varieties	-	-	-	-	Sept. 4	-	-	25.0
Australia (Sydney)								
Choicest butter	Aug. 28	41.9	41.9	41.9	-	-	-	-
Choicest Cheddar	-	-	-	-	Aug. 28	25.7	25.7	25.7
Irish Republic (Dublin)								
Creamery butter (bulk)	Aug. 27	49.2	55.0	55.4	-	-	-	-
Cheese	-	-	-	-	Aug. 27	31.0	31.0	31.0
Denmark (Copenhagen)	Aug. 26	42.1	42.1	42.1	-	-	-	-
France (Paris)								
Charentes Creamery butter	Aug. 27	71.3	66.1	78.4	-	-	-	-
Germany (Kempten)								
Markenbutter	Aug. 25	60.0	60.0	59.5	-	-	-	-
United States								
92-score creamery (N.Y.)	Sept. 3	58.3	57.9	66.4	-	-	-	-
Cheddar (Wisconsin)	-	-	-	-	Sept. 3	32.0	31.8	35.0
Netherlands (Leeuwarden)								
Creamery butter	Aug. 28	46.2	46.2	46.3	-	-	-	-
Full cream Gouda	-	-	-	-	Aug. 20	22.7	22.3	23.6
Edam 40 percent	-	-	-	-	Aug. 20	20.1	19.9	21.7
Belgium (Hasselt)	Aug. 26	72.4	69.3	78.5	-	-	-	-
Canada (Montreal)								
1st grade creamery	Aug. 21	59.1	59.1	59.6	-	-	-	-
Ontario white	-	-	-	-	Aug. 21	30.5	30.5	28.3

Sources: Intelligence Bulletin, The Commonwealth Economic Committee; U. S. Consular Reports; and The Dairy Division, Agricultural Marketing Service, U.S.D.A.

ARGENTINE EXPORTS OF BUTTER AND CASEIN UP IN FIRST HALF OF 1954

Exports of butter and casein from Argentina for the first 6 months of 1954 are substantially above shipments for the 1953 January to June period. By June 30 exports of butter from the Argentine totaled 24.6 million pounds as compared to 14.2 million pounds a year ago. A considerable part of this increase was due to the sale of 8.4 million pounds to Soviet Russia. However, exports to the United Kingdom were up 27 percent and shipments to Chile were 235,000 pounds during January-June 1953 compared to 2.7 million pounds for the first half of this year.

Trade in casein is running one-third above last year's first 6-month period, due mainly to increased takings by the United States, Italy and the United Kingdom. The United States has imported 27.6 million pounds of Argentine casein between January and June compared to 24 million pounds last year. Sales to the United Kingdom have risen 69 percent to 5.8 million pounds during the first half of this year; Italy has taken during the period 7.3 million pounds compared to only 470,000 a year ago.

COLOMBIA IMPORTING LARGE QUANTITIES OF U.S. EGGS

Following the substantial reduction in the import duty on eggs in the shell on July 22, 1954 and the simultaneous reversal of a previous decision to refuse import permits for fresh eggs, the Colombian Ministry of Agriculture has been deluged with requests for import permits (see <u>Foreign Crops and Markets</u> of August 16, 1954). Ministry records show that requests have been granted for the importation of approximately 1,400,000 dozens of fresh eggs into Colombia since that date with a total estimated value of almost US $700,000.

The bulk of the imports of fresh eggs, about four-fifths of the total, are being made by the Consumers Cooperative of Bogota. Within a week after the reduction in duty had been effected the Cooperative had placed on sale in its 69 retail stores in Bogota the first shipment of 120,000 eggs priced at 86 cents per dozen a reduction of 58 cents per dozen from the prices most commonly quoted at that time by retail food stores and vendors. Eggs in Colombia before the import ban was removed were selling for around $1.44 per dozen and had not sold at retail for less than 96 cents during the past year. Since that time the Cooperative has gradually stepped up its weekly purchases and its manager has recently announced that from now on one and one half million eggs per week will be imported and sold in Bogota by that organization.

The Cooperative's first purchase consisted exclusively of pullet eggs but subsequent purchases have been chiefly Grade A Mediums. The manager states that nearly all of the eggs have arrived in Bogota in good condition with a very small percentage of broken eggs. Under the present law satisfied customers should guarantee a good market of United States eggs in Colombia. Early shipments were routed by air all the way from New York but subsequent purchases are being shipped by water from New York to Colombian ports under refrigeration, given expeditious handling and customs clearance by special arrangement, and transported via cargo plane the same day to Bogota. By being able to make such arrangements for expeditious handling the Cooperative has a big advantage over private importers who have little assurance that their own shipments will not sit on the dock for several days awaiting customs clearance.

The Ministry of Agriculture upon granting requests for import permits for eggs informs each importer that the requirements for such imports are as follows: 1) that each shipment must be accompanied by an official sanitary certificate which has been visaed by a Colombian Consul certifying that the source from which the eggs were obtained has been free for a period of at least one year from any infectious poultry disease which may be transmitted by eggs; 2) that the eggs whose importation is being authorized are destined solely for consumption; and 3) that the veterinary inspector at the port of entry must be notified in advance of the arrival of the shipment, giving the name of the carrier and the name of the importer.

EGYPT POULTRY RESPIRATORY
DISEASE OUTBREAK

During August a serious outbreak of a respiratory disease occurred among chickens retained on the Ministry of Agriculture farms. Some chickens from the United States were also affected.

This condition may make it necessary to delay further shipments of United States chicks to Egypt accompanied by a possible reduction in number. In 1953 the United States shipped over 65,000 chicks to Egypt.

1954 BRAZIL NUT FORECAST INCREASED 1/

The estimated 1954 Brazil nut production in Brazil has been revised upward and is currently placed at about 31,000 short tons, unshelled, compared with the June estimate of 28,500 tons. The present estimate is 6 percent less than the large 1953 crop of 33,000 tons, but substantially greater than the 5-year average (1948-52) production of 25,300 tons.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular by the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

Brazil Nuts Unshelled: Estimated commercial production in Brazil, forecast 1954 with comparisons
(Rounded to nearest 100 short tons)

Year	Short Tons
Average:	
1948-52	25,300
Annual:	
1948	18,900
1949	35,200
1950	23,200
1951	33,000
1952	18,700
1953	33,000
1954 1/	31,000

1/ Preliminary.

Brazil Nuts: Imports into United States by country of origin, Average 1948-52, Annual 1950-53
Year beginning September 1

Country	Average 1948-52	1950	1951	1952	1953 1/
	Short tons	Short tons	Short tons	Short tons	Short tons
Shelled:					
Brazil	3,130	2,470	3,069	2,926	2,176
Other	57	32	78	161	101
Total	3,187	2,502	3,147	3,087	2,277
Unshelled:					
Brazil	9,799	4,579	11,870	9,208	6,430
Other	6	14	0	16	50
Total	9,805	4,593	11,870	9,224	6,480

1/ Ten months, September through June.

Compiled from official records of the Bureau of the Census.

High prices paid to the native nut collectors appear to have spurred them to bring in as many nuts from the jungle as possible so that a fairly large harvest has resulted despite reportedly poor crops in certain areas.

United States imports of shelled and unshelled Brazil nuts in the 10 months September 1953 through June 1954 totaled 2,277 and 6,480 short tons respectively. In the corresponding 10 months of 1952-53 imports totaled 2,252 and 5,758 tons respectively.

1953 WORLD BANANA TRADE EXCEEDS PREWAR LEVEL 1/

World exports of bananas in 1953 increased for the fourth year in succession, and for the first time since World War II surpassed the prewar (1935-39) average. Exports in 1953 are estimated at 112.7 million bunches, a 2 percent increase over the 110.6 million bunches exported in 1952, and 1 percent above the average prewar exports of 111.5 million bunches.

Over-all import totals, of course, parallel those of exports. However, while there was practically no change in the volume of North American imports which amounted to 64.1 and 64.2 million bunches in 1952 and 1953 respectively, European imports in 1953 of 39.3 million bunches were 15 percent greater than the 34.1 million bunches imported in 1952.

U. S. COTTON EXPORTS UP 23 PERCENT IN 1953-54 2/

Exports of cotton from the United States during the year ended July 31, 1954, totaled 3,914,000 bales of 500 pounds gross (3,761,000 running bales), representing a 23-percent increase over the total of 3,181,000 bales exported in 1952-53. July exports totaled 237,000 bales compared with 121,000 in July a year ago and the highest for the month of July since 1950.

The larger exports in July 1954 may be attributed to the favorable price ratio with foreign-grown cotton in recent months, the end-season clearance of shipments under the Foreign Aid Program and the ending early in July of a strike at Galveston, Texas, by dock and warehouse employees. A more complete report on United States cotton export trade will be released as a circular by this office within the next few days.--By Charles H. Barber.

1/ A more detailed statement will soon be published as a Foreign Agriculture Circular by the U.S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

2/ A more complete report of United States cotton export trade will be published soon as a Foreign Agriculture Circular by the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

UNITED STATES: Exports of cotton by countries of destination, averages 1935-39 and 1945-49; annual 1950-1953;

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Averages					
	1935-39	1945-49	1950	1951	1952	1953
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria	0	1/ 36	55	32	47	42
Belgium-Luxembourg	169	131	80	317	73	68
Czechoslovakia	65	57	6	0	0	0
Denmark	33	14	31	34	34	23
Finland	35	21	3	33	4	10
France	662	575	447	309	507	475
Germany	511	340	481	447	241	389
Italy	442	489	546	560	272	269
Netherlands	107	131	158	197	79	104
Norway	17	7	20	15	11	14
Poland and Danzig	180	69	1	0	0	0
Portugal	36	2/	2	21	1	0
Spain	108	69	66	203	77	167
Sweden	115	12	33	100	36	43
Switzerland	11	26	22	99	28	24
United Kingdom	1,346	488	307	662	359	422
Yugoslavia	17	47	78	122	86	40
Other Europe	31	3/ 33	11	6	6	10
Total Europe	3,885	2,545	2,347	3,157	1,861	2,100
Canada	301	275	431	296	284	237
Chile	9	20	48	35	1	27
Colombia	20	24	55	53	35	7
Cuba	11	16	24	20	12	20
India	52	86	219	778	45	161
China	117	401	54	0	0	0
French Indochina	22	6	16	24	18	16
Indonesia	2/	5	16	14	17	22
Japan	1,142	585	883	1,095	691	1,005
Korea, Republic of	4/	5/ 48	36	55	41	96
Taiwan (Formosa)	4/	1	37	53	107	110
Australia	9	7	0	50	11	45
Other countries	21	46	6/ 114	7/ 81	8/ 58	68
Total	5,589	4,065	4,280	5,711	3,181	3,914

Compiled from official records of the Bureau of the Census.

1/ Four-year average. 2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other countries." 5/ Three-year average. 6/ Other Asia (67) and Africa (23). 7/ Mostly countries in Asia (35) and Africa (25). 8/ Israel 14, Republic of Philippines 16.

BURMA'S 1954-55 COTTON
CROP BELOW LAST YEAR'S

Preliminary indications are that Burma's 1954-55 cotton crop will be around 80,000 bales (of 500 pounds gross), somewhat below the 1953-54 crop of 96,000 bales. The area planted in 1954-55, estimated at about 450,000 acres (about 400,000 for harvest), is about the same as that for 1953-54. Deficiency of rainfall, a perennial problem in Burma, was greater than usual in 1954. It is reported that rains in August were generally adequate, however, and this will compensate to some extent for early shortages of moisture.

Consumption of cotton in 1953-54 was reported at 13,000 bales, imports at 1,000, and exports at 90,000.

GREECE EXPECTS RECORD
COTTON CROP THIS YEAR

Preliminary estimates of cotton production in Greece place the 1954-55 crop at about 160,000 bales (of 500 pounds each). This level of production would mean an increase of some 15 percent over the 1953-54 crop. Cotton picking began in the dry-land areas about the middle of August, and the harvest is now well under way throughout the country.

The Hellenic Cotton Board reports an acreage of 268,000, an increase of 20 percent over the previous year's figure of 220,000 acres. Expansion in the 1954-55 acreage occurred mainly in Macedonia. The area planted in Central Greece, the traditional cotton region, changed little from the previous year. Increased acreage was distributed in both irrigated and dry areas, the increases amounting to 16 and 25 percent respectively.

Cotton consumption during the 12-month period ending July 31, 1954, reached a record 115,000 bales. One of the factors contributing to this high level of consumption is reportedly the free import of fine cotton goods permitted during the year. Local millers, unable to compete with foreign quality goods, turned to the production of coarser textiles which require more cotton per unit of cloth. This high rate of consumption, plus net exports of about 29,000 bales, reduced year-end stocks (July 31, 1954) to 15,000 bales from the 22,000 reported a year ago.

SWEDEN INCREASES
COTTON CONSUMPTION

Cotton mill consumption in Sweden during the crop year, August-July 1953-54, as reported by the Swedish Textile Council, amounted to 134,000 bales (500 pounds gross) or 12 percent above the previous year, according to Georg Frostenson, American Embassy, Stockholm. Imports during the year were somewhat lower than consumption, thereby reducing stocks of raw cotton from 109,000 to 102,000 bales. Stocks of United States cotton remained practically unchanged at 61,000 bales.

Cotton imports during the August-July 1953-54 year amounted to 128,000 bales, as compared with 127,000 for the previous year. Imports from the United States were about 10 percent higher than in the previous year, and also a little larger than consumption (41,000 bales) of United States cotton. Major sources of the 1953-54 imports, with 1952-53 figures in parentheses were: United States 44,000 bales (40,000); Brazil 23,000 (900); Pakistan 12,000 (19,000); Paraguay 10,000 (6,000); Mexico 9,000 (13,000); Belgian Congo 9,000 (7,000); and Egypt 8,000 (19,000). New supplying countries in the year just ended were the Soviet Union (1,000 bales), Portuguese Africa, and Nigeria, whereas no imports from Turkey were recorded.

Increased imports are expected from the Soviet Union in the coming year as a result of a 1954 trade agreement between the two countries, signed September 3, which involves about 5,000 bales of Russian cotton. Import licenses have also been issued for an additional 6,200 bales via Finland.

Prices of cotton of roughly comparable grades and staples in Stockholm in the second week of September 1954 were as follows (in U.S. cents per pound): New Orleans - Texas 39.14; Pakistan 41.51; Belgian Congo 40.19; and Paraguay 40.11.

Sweden's cotton consumption during the 1954-55 year is not expected to exceed the 1953-54 level. A moderate increase in output and imports of cotton yarns and textiles during the first half of 1954 resulted in some accumulation in retail stocks. Efforts to liquidate these stocks may include emphasis on sales techniques in retail stores, possible price cuts, or longer shopping hours. The share of textile products in the expenditures of the consumers decreased from about 15 percent in the calendar year 1952 to about 13.5 percent in 1953.

CANADA REDUCES GRAIN ESTIMATES

Estimates of Canada's 1954 grain production have been reduced sharply, according to the Dominion Bureau of Statistics' September forecast of production. An unprecedented combination of losses from rust, excessive moisture, sawflies, wind and hail in the Prairie Provinces has cut the current outlook for both yield and quality, from the August forecast. While reductions are noted for most of the grains, the sharpest drop is reported for wheat. Despite all the unfavorable factors noted above, prospective yields per acre exceed the long-time average, except for spring wheat.

The official report released September 15 states that very little harvesting had been accomplished by September 1 in the Prairie Provinces, except in southern areas. Frequent rains during the past 6 weeks had seriously delayed ripening of grains and hampered harvest operations, even in areas where crops matured at an earlier date. Since harvesting was not yet general in many central and northern districts, an extended period of dry, frost-free weather will be required to ensure realization of current estimates. Until completion of harvesting, it will not be possible to determine the exact extent of damage from what is now considered perhaps the worst rust epidemic in Canada's history.

Wheat production is now estimated at 378 million bushels, compared with 614 million in 1953 and the August forecast of 513 million. The reduction of 135 million bushels from the previous estimate is largely attributed to the rust damage, which was especially serious in Saskatchewan and Manitoba. Present yield prospects of 15 bushels per acre for spring wheat contrast with 23.7 bushels last year and the long-time average yields of 16 bushels per acre.

While reductions from the earlier forecast are noted for each of the Prairie Provinces, the bulk of the reduction was in Saskatchewan, where the present estimate of 210 million bushels is 115 million below the first forecast. Alberta's estimate of 113 million is 9 million less than the August forecast and Manitoba, at 28 million bushels is down 12 million. Wheat acreage in Canada was 24.3 million acres, compared with 25.5 million in 1953.

Production of oats for grain is estimated at 365 million bushels. This is 16 million bushels below the first estimate and brings the total to the lowest figure since 1949. Smaller yields offset a small increase in acreage. Yields are now estimated at 36 bushels per acre and acreage at 10.2 million acres. Much of the oats in western areas was still green at the time of the latest report, and warm, dry weather was needed. The barley crop is estimated at 212 million bushels, compared with the 1953 crop of 262 million and the earlier forecast of 222 million. Barley acreage is a million acres below the 1953 area and yields 9 percent lower than in 1953.

Rye production of 15 million bushels is about half the 1953 harvest. Sharp decreases in the area seeded to both fall and spring rye, combined with lower yields in all Provinces account for the decline. Mixed grains, grown chiefly in eastern Canada, show a very small increase over last year's good crop. Yields are slightly below those of a year ago but acreage is larger. Corn for grain is estimated at 19.8 million bushels, about a million bushels below the 1953 harvest but still well above average. Yields are expected to be about 10 bushels per acre smaller than in 1953.

CHINESE SOYBEANS THROUGH SUEZ CANAL BELOW 1953 LEVEL

The northbound movement of soybeans through the Suez Canal in January-June 1954, nearly all of which are of Chinese origin, totaled 290,000 short tons (9,670,000 bushels) or a decrease of 6 percent from the 310,000 tons (10,330,000 bushels) which passed through the Canal in the first half of 1953, according to information available to the Foreign Agricultural Service.

The passage of soybeans through the Canal in the first 6 months probably represents the bulk of the 1954 northbound movement, as January-June shipments in 1951, 1952 and 1953 constituted 68, 90, and 88 percent, respectively, of the total 12-month transit in those years.

SUEZ CANAL: Northbound movement of vegetable oilseeds, January-June 1954 with comparisons

(1,000 short tons, gross weight 1/)

Commodity	Average: 1933-37	1951	1952	1953 2/	January-June 1953 2/	January-June 1954 2/
Soybeans	1,237	551	219	353	310	290
Copra	786	1,066	795	660	271	377
Peanuts	999	218	207	229	173	197
Cottonseed	146	195	144	197	84	95
Flaxseed	227	42	34	55	26	24
Other	267	224	289	417	272	182
Total oilseeds	3,662	2,296	1,688	1,911	1,136	1,165

1/ Source data in 1,000 metric tons. 2/ Preliminary.

Source: Compiled from Le Canal de Suez Bulletin, Paris, France.

The total volume of all oilseeds to pass northward through the Suez Canal in January-June was 1,165,000 tons, gross weight, or slightly more than in January-June 1953. In regard to commodities other than soybeans, shipments of copra, peanuts, and cottonseed were up substantially, but flaxseed was down slightly and "other" oilseeds dropped by one-third.

CANADA'S 1954 FLAXSEED, SOYBEAN CROPS UP MORE THAN ONE-FIFTH

Canada's 1954 flaxseed and soybean crops are forecast at 12,189,000 and 5,334,000 bushels, respectively, on the basis of yield and acreage indications as of September 15, according to the Dominion Bureau of Statistics. The flaxseed forecast represents an increase of nearly one-fourth from the 1953 crop but is slightly less than the volume produced in 1951. The soybean output indicated, also up more than one-fifth from last year, again establishes a new record.

Data regarding the 1954 area in flaxseed--1,206,000 acres, and soybeans--254,000 acres were published in Foreign Crops and Markets of August 9, 1954.

URUGUAY'S FLAXSEED SOWINGS UP; EXPORT OF VEGETABLE OILS LOW

Uruguay's 1954-55 flaxseed sowings may exceed the 1953-54 acreage of 103,164 hectares (254,918 acres) by approximately 10 percent, according to Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo. Larger plantings are partly due to the smaller area sown to wheat and to the increase in flaxseed prices.

Final production figures for 1952-53 for sunflower is 91,688 metric tons (101,068 short tons) and 3,899 metric tons (4,298) of peanuts. Unofficially the 1953-54 flaxseed crop has been estimated at 90,000 tons (3,543,000 bushels), which is 19,000 tons (748,000 bushels) over the early official estimate.

Uruguay's 1954 export policy for flaxeed and linseed oil has been modified since its announcement on February 23, 1954. The principal changes, effected recently, provide for a higher exchange rate on linseed oil (from a composite rate of 2.10 pesos to one dollar to a flat rate of 2.35 pesos or its equivalent in other currencies) plus a 13.50 peso subsidy per 100 kilograms (220.5 pounds) of oil exported not to exceed 20,000 metric tons (22,046 tons). This subsidy will be paid out of a special fund derived from automobile imports. A special 4.0 million dollar automobile quota has been opened wherein the importer must acquire exchange at the rate of 2.45 pesos to the dollar and pay the additional premium of 90 centesimos for each dollar of exchange purchased. Proceeds from this premium will make up the linseed oil export fund. (See Foreign Crops and Markets, March 29, 1954.) Exchange rates for the Uruguayan peso are: controlled, 1.90 pesos to one U. S. dollar; commercial free, 2.45 pesos; uncontrolled-nontrade, 3.10 pesos.

Exports of flaxseed, linseed oil, and sunflower oil were low in the first six months of 1954; no peanuts or peanut oil was exported. Most of the exports of Uruguayan vegetable oils went to European markets; 1,070 (1,179 short tons) metric tons of sunflower meal were exported to the United States.

URUGUAY: Exports of vegetable oils and oilseeds, cake and meal, annual 1952-1953, January-June 1954

Commodity	Unit	1952	1953	January-June 1954 1/
Flaxseed	Bushels	636,657	1,602,154	544,221
Linseed oil	Short tons	27,774	39,564	8,954
Sunflower oil	" "	10,155	9,320	2,438
Flaxseed cake and meal	" "	36,957	41,885	30,684
Sunflower cake and meal	" "	34,180	30,494	17,693
Peanut cake and meal	" "	1,949	903	0

1/ La Exportacion del Uruguay, a trade publication based on ships' manifests.

Source: Estimates were made by the American Embassy, Montevideo.

In August, 17,000 metric tons (18,739) of linseed oil were reported sold, priced at 147 dollars per ton (6.7 cents per pound), f.o.b., Montevideo, 9,000 tons (9,921) of which may be shipped to Europe. Approximately 2,000 tons (2,205) of linseed oil from the 1953-54 production, in addition to 15,000 tons (590,518 bushels) of flaxseed, are still available for export sale.

About 1,500 metric tons (1,650) of sunflower oil has been declared exportable surplus with no buyer interest indicated at present.

U. S. TOBACCO EXPORTS
IN JULY 1954

United States exports of unmanufactured tobacco in July 1954 totaled 28.9 million pounds valued at $17.7 million. This was 2.1 million pounds higher than in June and about 18 percent above July 1953.

Exports of flue-cured tobacco were 20.2 million pounds in July, compared to 18.9 million in July 1953, a 6.7 percent increase. Burley, Virginia fire-cured and dark-fired Kentucky-Tennessee tobacco showed substantial increases in July, compared with the same period in 1953. All other types, with the exception of trimmings, stems and scraps, showed decreases.

In the first 7 months of the current year, total exports of unmanufactured tobacco at 183.0 million pounds were 23 percent below the same period last year. Exports of flue-cured tobacco at 135.8 million pounds were off 31 percent. Lower shipments to the United Kingdom for the first 7 months of 1954 (19.0 million pounds compared with 67.6 million pounds for 1953) account for a large part of the decrease. Exports of Burley, at 19.8 million pounds were 30 percent higher than a year earlier. Exports of dark-fired Kentucky-Tennessee at 13.5 million pounds increased 18 percent over 1953. Exports of Virginia fire-cured and Maryland tobacco increased, while exports of most other types declined.

Exports of U. S. Unmanufactured Tobacco, July 1954,
January-July 1954 with Comparisons

(Export Weight)

Type	July		Jan.-July	
	1953	1954	1953	1954
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Flue-Cured	18,954	20,215	196,152	135,800
Burley	2,802	3,175	15,252	19,837
Virginia Fire-Cured	151	350	1,826	1,990
Dark-Fired Kentucky-Tenn	528	3,900	11,492	13,569
Maryland	849	521	4,186	4,281
Green River	37	19	1,252	890
One Sucker	73	26	607	360
Cigar Wrapper	316	220	2,372	1,759
Cigar Binder	145	129	1,945	770
Cigar Filler	126	--	304	158
Other	667	408	3,452	3,611
Total	24,648	28,963	238,840	183,025
Declared value, million dollars	14.1	17.7	152.6	116.1

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of tobacco products, valued at $5.3 million, were lower in July 1954 than in the same month last year. All products, with the exception of chewing tobacco and snuff and smoking tobacco in bulk, showed decreases.

Exports of cigarettes, smoking tobacco in packages and smoking tobacco in bulk were lower in the January-July 1954 period than in the same period a year ago. Exports of cigars and cheroots and chewing tobacco and snuff were higher than in 1953.

Exports of U. S. Tobacco Products, July 1954, with Comparisons

	July		January-July	
	1953	1954	1953	1954
Cigars & Cheroots (1,000 pieces)	588	406	3,292	5,065
Cigarettes (1,000 pieces)	1,320,962	1,273,376	9,719,836	9,046,837
Chewing Tobacco & Snuff (1,000 pieces)	111	122	710	926
Smoking Tobacco in Packages (1,000 pounds)	42	26	375	320
Smoking Tobacco in Bulk (1,000 pounds)	521	583	2,486	2,382
Declared value (million dollars)	5.2	5.3	37.4	36.4

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

WORLD BREADGRAIN CROP--(Continued from Page 328)

The wheat forecast of 1,371 million bushels for North America is 436 million bushels less than the 1953 harvest and is the smallest outturn in this area since 1943. Production of all wheat in the United States is estimated at 962 million bushels, compared with 1,169 million bushels last year and the 1943-52 average of 1,122 million. The smaller outturn was caused by the reduced acreage, which was 20 percent less than in 1953. Yields of all wheat were up slightly, with larger yields of winter wheat offsetting below-average yields of spring wheats. Rye production of 23 million bushels is somewhat larger than in 1953 principally because of increased acreage.

Canada's wheat crop is currently forecast at 378 million bushels, compared with 614 million in 1953 and the record outturn of 688 million in 1952. Wheat acreage is down 5 percent from the 1953 area, but yields are down 35 percent accounting for the main part of the crop reduction.

The latest production forecast, based on conditions September 1, is sharply below the first official forecast, mainly because of rust damage, though excessive moisture, sawflies, wind and hail in some localities are additional factors mentioned as contributing to the reduction. The official report emphasizes that optimum conditions would be required for the remainder of the season to enable even the present low figure to materialize. Rye production is forecast at 14.8 million bushels, compared with 28.8 million a year ago. Sharply reduced acreage was the principal factor in the small rye harvest, though yields were also moderately lower.

An all-time record crop is reported for Mexico, the only remaining wheat grower of significance in the area. The current estimate of 30 million bushels is more than 25 percent above the large 1953 harvest. A significant increase in acreage is reported together with slightly higher yields.

Wheat production in Europe is estimated to be about the same as in 1953, with a net increase for western Europe offsetting reductions in other Europe, especially the Balkan area. On the basis of preliminary reports, the total for free Europe is estimated at 1,325 million bushels, compared with 1,305 million last year. Conditions vary widely within the area, with good increases for a number of important producing countries, but reductions in others. Most significant increases were for Spain and France. In the former country the season was exceptionally favorable and the wheat crop was the largest since Spain's Civil War. The estimate of 185 million bushels for 1954 is 48 percent above the very small 1953 crop. Most of the increase is attributed to higher yields. The latest official estimate for France places the wheat crop at the all-time record figure of 370 million bushels, compared with 330 million in 1953. The current estimate is considerably above earlier-season estimates, and it now appears that unfavorable weather during the latter part of the season affected quality more than quantity. Moisture content of the grain is reported high. Yields, as well as production, are at a new high level. Production in the United Kingdom is estimated slightly above that of 1953 because of larger acreage.

The wheat crop in Italy now appears certain to be well below the large 1953 crop. The latest official estimate places the outturn at about 285 million bushels, compared with 332 million last year. Trade estimates for the current crop are generally below that official estimate, and the next estimate may be lowered to reflect damage sustained by the crop during the latter part of the growing season. Western Germany's wheat harvest officially estimated at about 103 million bushels is above average, but below the large 1953 outturn. This estimate, however, may be reduced, largely because of reported heavy harvest losses. Both acreage and yields are below the high level of 1953. The outlook for the United Kingdom is for a slightly larger crop than in 1953, despite unfavorable weather conditions during part of the growing and harvesting season. An increase of about 10 percent in acreage accounts for the large crop. As is the case in a number of European countries this season, grain quality has deteriorated and much wheat is expected to be of inferior quality.

Wheat production in eastern Europe will be smaller than in 1953 mainly because of reduced crops in the Danube Basin countries. Drought in that area reduced yields somewhat. Yields throughout most of eastern Europe were affected by unseasonable weather, notably excessive rain and cold during late spring and summer.

Rye production in Europe is estimated to be larger than in 1953, principally because of a good acreage expansion in western Germany and a larger harvest than in 1953 in Poland. These are the largest rye producers of the area.

A substantial increase is reported for the wheat acreage in the Soviet Union this season. The increase over the high level of 1953 brings the total wheat acreage well above the pre-war level. In line with the new Soviet program of grain expansion in eastern regions, the spring wheat area reportedly increased about 9 million acres, compared with 1953, mostly in the formerly uncultivated land of the semi-arid eastern regions beyond the Volga and Urals. The increase, however, may have been partially offset by some reduction in the acreage under winter breadgrains (wheat and rye) resulting from unfavorable weather conditions at seeding time and during the winter and spring.

Crop conditions in the Soviet Union have been spotty. Good growing weather in some regions, especially in the east, has offset the disadvantages of the late spring, which delayed seeding, and above-average yields may be expected though harvesting losses may be heavy. Over a large and normally highly productive area of the south the crop, and especially the spring crop, may have been reduced by dryness. Usual harvest difficultues have been increased by the acreage increases and inclement weather in eastern areas and the early maturity of the crop, caused by abnormally high temperatures in a number of regions.

Wheat production in Asia appears to be above the large 1953 harvest. Increases are general, with all major producing countries exept Turkey and Iran reporting larger crops. In Turkey, yields are sharply below the high 1953 yields and, if the crop outturn is as small as now estimated, no surplus of significance will be available for export. Better outturns in India and Pakistan bring harvests in these countries above average, after the small crops of last year. Rye is of no significance in Asia except in Turkey, where rye production is small this season.

Wheat production in Africa is estimated to be at a new record for that area. A record crop in Egypt together with record or near-record harvests in French North Africa account for the large total. It is too early in the growing season to have much information on the outlook for the crop in the Union of South Africa, the only important Southern Hemisphere producer of the area.

In South America, too, it is early to have any definite indication of the outlook for the crop to be harvested largely in December-January. In Argentina, the ranking producer of the area, the total acreage of wheat and rye was expected to be slightly larger than in 1953, at latest report. Nearly all areas report the condition of grain as equal to or better than last year. Some areas, however, report retarded development of grain, and some possibility of heavy grazing of winter grains, because of poor pasture development.

Australian wheat acreage for the coming harvest is expected to be smaller than the acreage harvested last season. Dry conditions over a good part of the wheat belt have been causing concern, and yields are not expected to be up to the 1953 level.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of U. S. agricultural officers abroad.

TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Southern Rhodesia Corn Surplus Expected to Affect Corn and Livestock Trade: Instead of exporting the surplus corn now accumulating in Southern Rhodesia, it can be more efficiently utilized to produce good quality beef and pork for export to Britain, according to a recent statement by J. M. Caldicott, Minister of Agriculture of the Government of Rhodesia and Nyasaland. He believes that once the British meat market settles down, there should be an outlet for considerable quantities of good quality meat from Southern Rhodesia. Small trial shipments of swine carcasses have been exported to Britain and are reputed to have received a high grading.

The Minister states that there is no basis for the suggestion that they are always likely to produce a surplus of corn, but that the efficient producer should have no fear of unmarketable supplies. In view of the past experience with recurrent cycles of unfavorable weather, there might even be temporary shortages. Doubtless, there will also be need for increased supplies resulting from increasing urban and industrial developments in the Federation.

The present surplus of corn, principally from European farms, has developed as a result of three consecutive seasons of favorable weather, coupled with the use of hybrid seed, fertilizers, and improved cultural and conservation practices. Southern Rhodesia will probably enter the 1955 selling season with a carryover of some 1,000,000 bags of corn, according to the Minister's statement. Formerly, Southern Rhodesia imported large quantities of corn. Last year 4,936 bags of hybrid corn were exported to Britain.

Sweden's Food and Feed Trade with the Soviet Bloc: Sweden's dependence on the Soviet bloc as a source of supply of food and feed has declined markedly since 1952. In that year 9 percent of Sweden's food and feed imports came from the Soviet bloc, in 1953 only 3 percent. On the other hand, these countries have recently become of increasing importance as markets for Sweden's food exports. While accounting for some 12 to 15 percent of food products exported from Sweden in 1951-53, they took 24 percent of these products during the first 5 months of 1954. Butter and herring were the two most important food export items in 1953. This year wheat exports to Hungary and Poland have exceeded 80,000 tons. Butter, cheese, eggs and barley are also among the food and feed products exported in 1954 to the Soviet bloc.

Favorable Balance of Trade Increasing in Dominican Republic: The favorable balance of trade in the Dominican Republic is increasing at a remarkable rate, rising from $8.7 million in the first six months of 1953 to $31.8 million in the same period of 1954. The value of imports declined slightly, but most of the increase in the trade balance is accounted for by sharply expanded export values, largely of coffee and cacao. Data on exports for the 4 principal products follow:

First six months of 1953 and 1954

	Million dollars 1953	Million dollars 1954
Sugar, unrefined................	21.7	23.9
Cacao	9.7	15.6
Coffee..........................	8.4	18.5
Tobacco.........................	.7	.9

Colombia's Bilateral Trade Agreements: Colombia now has the following bilateral trade agreements in effect, several of them have been negotiated in 1953:

West Germany (compensation type)	US $45,000,000
Denmark " "	2,000,000
Spain " "	3,000,000
Finland " "	4,000,000
Italy " "	9,000,000
Uruguay " "	3,650,000
Ecuador	(No amount specified)
France	5,000,000
United Kingdom	10,000,000
Austria	1,000,000
Sweden	6,000,000
Belgium-Luxemburg Ec.Union (provides for purchase of 30,000 tons of bananas in addition to $7,000,000 of coffee)	7,000,000

Revision of the trade agreements with Ecuador, West Germany, and the United Kingdom, and a new agreement with Argentina, are now under study.

Colombia's imports from those countries with which compensation agreements have been concluded are substantially larger than exports to those countries. In 1953, import licenses issued under compensation agreements totalled 51.5 million dollars, whereas export licenses issued under the agreements totalled 34.2 million.

Mexican Trade Deficit Increases in 1954: Mexico's foreign trade deficit for the first 7 months of the year was 1,540.1 million pesos in comparison with 856.9 million pesos in the same period of 1953 (current rate of exchange, 12.50 pesos to one U.S. dollar). This imbalance is due exclusively to a sharp increase in imports rather than to a decline in the value of exports. Abnormally high purchases of imported goods was stimulated by rumors of tariff increases and more rigorous import controls. Devaluation of the peso in April of 1954 from 8.65 to 12.50 pesos to the U.S. dollar necessitated the payment of 45 percent more in terms of pesos for imported goods.

It is expected that total imports may decline 600 to 900 million pesos during 1954, despite the very large import levels during the first 7 months of the year. This will be due principally to favorable climatic conditions that promise excellent crops in corn, beans, and wheat. Imports of these three items alone reached a value of 504 million pesos in 1953, but the 1954 value of imports of these items is expected to decline to about one-third of this amount. Higher peso costs of imports, stricter import control over luxury articles and goods produced within the country, and increased tariffs are also expected to have a depressing effect on imports, although the major decline in imports from these policy moves will not be realized until 1955.

Uruguay-U.S. Trade Declines: Most of Uruguay's favorable balance of trade of $76.7 million at the end of 1953 was gained at the expense of the United States and the United Kingdom. Uruguay had unfavorable balances during 1951 and 1952 and the Government attempted to obtain a favorable balance of trade in 1953 through continuing to decrease imports and seeking all ways of encouraging a greater flow of exports.

Imports from the United States had amounted to 28.8 percent of Uruguay's total imports during 1951, fell to 25.8 percent in 1952 and in 1953 amounted to only 18 percent. A natural parallel to this decline is seen, however, in the United States position as a purchaser of Uruguayan exports which sank from 43.3 percent of total exports in 1951, to 24 percent in 1952 and to 14.8 percent in 1953.

Total United States exports to Uruguay for the 3 years showed a rapid decline of from $83.3 million in 1951 to $42.2 million in 1952 and only $24.5 million in 1953. Agricultural exports in 1951 were $3.7 million, declined to $1.4 million in 1952, but then rose to $2.0 million in 1953.

PUBLICATIONS RELATING TO U.S. INTERNATIONAL AGRICULTURAL TRADE

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